



4004

ANNUAL REPORT

OF

Name: COON VALLEY FARMERS TELEPHONE CO

Principal Office: 105-107 CENTRAL AVE
COON VALLEY, WI 54623

For the Year Ended: DECEMBER 31, 1996

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I LENORD LEIS of
(Person responsible for accounts)

COON VALLEY FARMERS TELEPHONE CO , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

LENORD LEIS 04/28/1997
(Person responsible for accounts) (Date)

GENERAL MANAGER
(Title)

TABLE OF CONTENTS

Schedule Name	Page
Cover Page	1
General Rules for Reporting	2
Signature Page	3
Table of Contents	4
Annual Telecommunications Report Glossary of Terms	5
Abbreviations Used in Annual Reports	6
Identification and Ownership	7
Income Statement - Total Company	8
Notes to Income Statement or Balance Sheet	9
Balance Sheet - Assets (Class B Use Accounts Designated By *)	10
Balance Sheet - Liabilities (Class B Use Accounts Designated By *)	11
Statement of Cash Flows	12
Important Changes During the Year	13
Affiliate Abbreviations	14
Affiliated Interest Transactions	15
Affiliated Assets and Liabilities	16
Accounts Receivable Net Write Offs - Telecommunications	17
Notes Receivable (Acct. 1200) and Allowances (Acct. 1201)	18
Investments in Nonaffiliated Companies (Acct. 1402)	19
Nonregulated Investments (Acct. 1406)	20
Deferred Maintenance and Retirements (Acct. 1438)	21
Telecommunications Plant in Service Class A & B	22
Telecommunications Plant in Service Class A & B (Sub-Class Accounts)	24
Accumulated Depreciation Class A & B	26
Accumulated Depreciation Class A & B (Sub-Class Accounts)	28
Net Deferred Operating Income Taxes (Acct. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)	30
Notes Payable (Acct. 4020)	32
Long-Term Debt	33
Capital Stock Accounts at End of Year	35
Retained Earnings (Acct. 4550)	37
Distribution of Taxes	38
Revenues - Class A & B (Class B Use Accounts Designated By *)	40
Expense Matrix - Class A & B	41
Out-of-State Operating Revenues	43
Other Income Accounts (Class B Use Accounts Designated By *)	44
Nonregulated Net Income (Acct. 7990)	45
Distribution of Salaries and Wages	46
Employee Data	46
Telephone Calls and Minutes of Use Per Month	47
Access Usage	48
Outside Plant Statistics at End of Year	49
Special Access Circuits in Use at End of Year	49
Service Data	50
Service Data - End of Year	52

TABLE OF CONTENTS

Schedule Name	Page
Equipment Abbreviations	54
Manufacturer Abbreviations	54
Central Office Data - End of Year	55
General, Schedule Level and Schedule Line Footnotes	56

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: COON VALLEY FARMERS TELEPHONE CO
Utility Location: 105-107 CENTRAL AVE
COON VALLEY, WI 54623

Utility Web Site Address:

When was utility organized?: 12/11/1907

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: LENORD P. LEIS
Title: GENERAL MANAGER

Office Address: P.O. BOX 48
COON VALLEY, WI 54623

Fax Number: (608) 452 - 3100
Telephone Number: (608) 452 - 3101
Email Address: Coon@mwt.net

Individual or firm, if other than utility employee, preparing this report

Name: KIESLING ASSOCIATES LLP
Title: ACCOUNTING FIRM
Firm: KIESLING
Office Address: 6401 ODANA ROAD
MADISON, WI 53719

Fax Number: (608) 273 - 2383
Telephone Number: (608) 273 - 2315
Email Address:

Person responsible for financial information contained in report

Name: CAROL A. OLSON
Title: ASSISTANT MANAGER

Office Address: 105-107 CENTRAL AVENUE
COON VALLEY, WI 54623

Fax Number: (608) 452 - 3100
Telephone Number: (608) 452 - 3101
Email Address:

Person responsible for statistical information contained in report

Name: CAROL A. OLSON
Title: ASSISTANT MANAGER

Office Address: 105-107 CENTRAL AVENUE
MADISON, WI 53719

Fax Number: (608) 452 - 3100
Telephone Number: (608) 452 - 3101
Email Address:

IDENTIFICATION AND OWNERSHIP

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name:
Form of Interest:
Extent Of Interest:

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,114,115	1,051,879	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	180,260	173,930	2
Plant Nonspecific Operations Expense	260,322	200,366	3
Customer Operations Expense (6610-6620)	130,918	118,015	4
Corporate Operations Expense (6710-6790)	112,609	116,554	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	177,507	169,761	7
Total Operating Expenses	861,616	778,626	8
Net Operating Income	252,499	273,253	9
Other Income			
Nonoperating Income and Expense (7300)	18,161	(19,238)	10
Nonoperating Taxes (7400)	644	(2,444)	11
Interest and Related Items (7500)	75,709	78,553	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(13,910)	(5,589)	14
Total Nonoperating Income	(72,102)	(100,936)	15
Net Income	180,397	172,317	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

The accounting policies of the Company conform to generally accepted accounting principles. Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the company are maintained in accordance with Uniform System of Accounts for Class A and B Telephone Companies prescribed by the Federal Communications Commission as modified by the Public Service Commission of Wisconsin (PSCW).

A. Property and Equipment

Telephone plant is capitalized at original cost, including the capitalized cost of salaries and wages, materials, certain payroll taxes, and employee benefits.

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates, based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation, together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

B. Income taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transaction reported in the financial statements including both taxes currently due and deferred. Deferred tax liabilities are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include the difference between carrying amounts of depreciable assets and partnership investment basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Investment tax credits (ITC) which were deferred prior to the Tax Reform Act of 1986 are being amortized over the regulatory life of the plant which produced the ITC

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

which produced the ITC.

C. Revenue Recognition

Revenues are recognized when earned regardless of the period in which they are billed.

Revenues relating to the provision of access services to customers are derived, in part, from tariffed access charges to toll service providers (interexchange carriers), and in part from sharing in interstate pools. Interstate revenues are determined in accordance with nationwide average cost schedules.

The Company is compensated for intrastate access under access charge procedures based on expense and plant investment levels, as determined by the Company and approved by the PSCW.

D. Cash Equivalents

All highly liquid investments purchased with a maturity of one year or less are considered cash equivalents.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None.

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The mortgage to the United States of America, underlying the RUS notes, contains certain restrictions on the declaration of payment of cash dividends, redemption of capital stock, or investment in affiliated companies. As of December 31, 1996, the maximum amount which could be distributed in accordance with these restrictions was \$1,024,000, except as might be specifically authorized in writing in advance by the RUS noteholders.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	699,624	540,729	1
Cash (1130)		0	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)		0	4
Temporary Investments (1160)		0	5
TOTAL CASH AND EQUIVALENTS	699,624	540,729	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	51,744	49,736	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	51,744	49,736	
Other Accounts Receivable (1190)*	92,869	106,764	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	92,869	106,764	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	1,562	936	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	146,175	157,436	
SUPPLIES			
Inventories (1220)*	47,256	36,927	13
TOTAL SUPPLIES	47,256	36,927	
PREPAYMENTS			
Total Prepayments (1280)*	5,191	5,171	14
Prepaid Rents (1290)		0	15
Prepaid Taxes (1300)		0	16
Prepaid Insurance (1310)		0	17
Prepaid Directory Expenses (1320)		0	18
Other Prepayments (1330)		0	19
TOTAL PREPAYMENTS	5,191	5,171	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0	0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	898,246	740,263	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	266,680	266,680	22
Nonregulated Investments (1406)*	47,660	60,252	23
Unamortized Debt Issuance Expense (1407)*	0	0	24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	0	0	26
TOTAL INVESTMENTS	314,340	326,932	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	0	0	29
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	314,340	326,932	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	4,332,020	4,102,519	30
Less: Accumulated Depreciation (3100)*	1,649,642	1,409,144	31
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	33
Less: Accumulated Amortization--Intangible (3500)*	0	0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	2,682,378	2,693,375	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	37
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	0	74	39
TOTAL TPUC	0	74	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	40
Less: Accumulated Amortization--Other (3600)*	0	0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	2,682,378	2,693,449	
TOTAL ASSETS AND OTHER DEBITS*	3,894,964	3,760,644	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	68,244	54,564	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	0	3
Customer Deposits (4040)*	0	0	4
Current Maturities--Long-Term Debt (4050)*	73,900	71,000	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	1,768	(16,435)	7
Other Taxes--Accrued (4080)*	(9,798)	(6,409)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	591	674	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES*	134,705	103,394	
LONG-TERM DEBT			
Funded Debt (4210)*	1,487,282	1,559,946	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	1,487,282	1,559,946	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	0	0	20
Unamortized Operating ITC--Net (4320)*	6,578	9,895	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	278,819	231,129	23
Net Deferred Tax Liability Adjustments (4341)*	(4,106)	(5,789)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	27,343	49,361	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	4,243	6,005	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	312,877	290,601	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	864,000	864,000	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	1,096,100	942,703	32
TOTAL STOCKHOLDERS' EQUITY*	1,960,100	1,806,703	
TOTAL LIABILITIES AND OTHER CREDITS*	3,894,964	3,760,644	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	180,397	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	249,194	2
Interest during construction	0	3
Changes in assets and liabilities:		
Current assets (net)	912	4
Other noncurrent assets	0	5
Other current liabilities	28,411	6
Other liabilities and deferred credits	22,276	7
Other (specify):		
TOTAL ADJUSTMENTS	300,793	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	481,190	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(238,123)	8
Investments in affiliated companies	0	9
Nonoperating Investments	12,592	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(225,531)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(69,764)	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	(27,000)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(96,764)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	158,895	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

-
1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None .

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None .

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

None .

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

None .

5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

None .

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

None .

7. Changes in articles of incorporation or amendments to charter.

None .

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

None .

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)
----------------------------------	------------------------------

NONE

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars	(a)	(b)	(c)	(d)	(e)
NONE					
Docket					
Name of Affiliate					1
Designate whether billed to or from:					2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)					3
Revenues					4
Expenses:					
Plant Specific Operations Expense					5
Plant Nonspecific Operations Expense					6
Customer Operations Expense					7
Corporate Operations Expense					8
Total Operating Expenses	0	0	0	0	9
Other:					
Plant Accounts					10
Accumulated Depreciation					11
Accumulated Amortization					12
Clearing					13
All Other					14
Total	0	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities					16
If cost based, rate of return on equity or markup incorporated in billings					17
Footnotes					

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)
--------------------------	--------------------------	-----------------------

NONE

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off	0	1
Uncollectibles written off during the year	0	2
Net write offs during the year	0	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
--	-------------------------------	-------------------------	----------------------------------	-------------------------------	---

NONE

Total				<u><u>0</u></u>	<u><u>0</u></u>	1
--------------	--	--	--	-----------------	-----------------	----------

INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	0	1
Other:		
RTB Class C Stock	1,000	2
Century Cellunet Mobile Phones	199,377	3
US Cellular	66,303	4
Total Investments in Nonaffiliated Companies	266,680	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
<hr/>		
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
Nonregulated Investments	47,660	1

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
NONE	
Total	0

1

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	20,262		1
Motor Vehicles	2112	108,018	47,378	2 A
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	14,916		6 A
Buildings	2121	329,985		7
Furniture	2122	10,256		8
Office Equipment	2123	8,980	3,541	9
General Purpose Computers	2124	22,731	31,012	10
TOTAL--GENERAL SUPPORT ASSETS:		515,148	81,931	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,524,176	126,159	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	111,176	2,794	16
TOTAL--CENTRAL OFFICE ASSETS:		1,635,352	128,953	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	16,865		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		16,865	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	7,880	13,955	22
Aerial Cable	2421	78,845	137	23
Underground Cable	2422	0	0	24
Buried Cable	2423	1,846,614	18,866	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	1,816	340	29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,935,155	33,298	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			20,262	1
2112	12,810	(65,302)	77,284	2 A
2113			0	3
2114			0	4
2115			0	5
2116		65,302	80,218	6 A
2121			329,985	7
2122			10,256	8
2123	0	0	12,521	9
2124			53,743	10
	12,810	0	584,269	
2211			0	11
2212	0	0	1,650,335	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	113,970	16
	0	0	1,764,305	
2311			0	17
2321			0	18
2341			0	19
2351			16,865	20
2362			0	21
	0	0	16,865	
2411	111		21,724	22
2421	1,127	0	77,855	23
2422	0	0	0	24
2423	634	0	1,864,846	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			2,156	29
2441			0	30
	1,872	0	1,966,581	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	4,102,520	244,182
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	14,682	0	4,332,020	
2001				34
			4,332,020	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	8,980		1
Company Communications Equipment	2123.2	0	3,541	2
Software	2212.1	1,524,176	20,616	3 A
Digital Switching - Central Office	2212.2	0	105,543	4 A
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	111,176	2,794	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	78,845		13 A
Aerial Cable - Metallic	2421.2	0	137	14 A
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	1,846,614		17 A
Buried Cable - Metallic	2423.2	0	18,866	18 A
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			8,980	1
2123.2			3,541	2
2212.1		(1,524,176)	20,616	3 A
2212.2		1,524,176	1,629,719	4 A
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			113,970	10
2232.2			0	11
2232.3			0	12
2421.1		(78,845)	0	13 A
2421.2	1,127	78,845	77,855	14 A
2422.1			0	15
2422.2			0	16
2423.1		(1,846,614)	0	17 A
2423.2	634	1,846,614	1,864,846	18 A
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	36,184	16.6666	3,336		1 B
Aircraft	2113	0				2
Special Purpose Vehicles	2114	0				3
Garage Work Equipment	2115	0				4
Other Work Equipment	2116	74,176	16.6666	1,837		5 B
Buildings	2121	112,770	3.0	9,899		6
Furniture	2122	10,256	7.69			7
Office Equipment	2123	2,861	10.0	1,024		8 F
General Purpose Computers	2124	21,183	20.0	3,197		9
Total-- GENERAL SUPPORT ASSETS		257,430		19,293		0
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211	0				10
Digital Electronic Switching	2212	532,911	8.5	134,509		11
Electro-Mechanical Switching	2215	0				12
Operator Systems	2220	0				13
Radio Systems	2231	0				14
Circuit Equipment	2232	81,118	10.0	11,202		15
Total-- CENTRAL OFFICE ASSETS		614,029		145,711		0
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311	0				16
Customer Premises Wiring	2321	0				17
Large Private Branch Exchanges	2341	0				18
Public Telephone Terminal Equipment	2351	11,984	9.09	1,533		19
Other Terminal Equipment	2362	0				20
Total-- INFORMATION ORIG/TERM ASSETS		11,984		1,533		0
CABLE WIRE FACILITIES ASSETS						
Poles	2411	7,880	6.18	104		21
Aerial Cable	2421	58,614	4.55	3,576		22
Underground Cable	2422	0				23
Buried Cable	2423	458,188	4.5	83,428		24
Submarine Cable	2424	0				25
Deep Sea Cable	2425	0				26
Intrabuilding Network Cable	2426	0				27
Aerial Wire	2431	1,020	12.5	234		28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		525,702		87,342	0
Total Accumulated Depreciation	3100	1,409,145		253,879	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	12,810				26,710	1 B
2113					0	2
2114					0	3
2115					0	4
2116					76,013	5 B
2121					122,669	6
2122					10,256	7
2123	0			1,300	5,185	8 F
2124					24,380	9
	12,810	0	0	1,300	265,213	
2211					0	10
2212	0			0	667,420	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				92,320	15
	0	0	0	0	759,740	
2311					0	16
2321					0	17
2341					0	18
2351					13,517	19
2362					0	20
	0	0	0	0	13,517	
2411	111				7,873	21
2421	1,127			0	61,063	22
2422	0				0	23
2423	634			0	540,982	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					1,254	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	1,872	0	0	0	611,172	
3100	14,682	0	0	1,300	1,649,642	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	2,861	10.0	898	1
Company Communications Equipment	2123.2	0	14.3	126	2 F
Software	2212.1	532,911	25.0	1,841	3 A
Digital Switching - Central Office	2212.2	0	8.5	132,668	4 A
Digital Switching - Remote	2212.3	0			5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	81,118	10.0	11,202	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	0			12
Aerial Cable - Nonmetallic	2421.1	58,614	.0		13 A
Aerial Cable - Metallic	2421.2	0	4.55	3,576	14 A
Underground Cable - Nonmetallic	2422.1	0			15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	458,188	.0		17 A
Buried Cable - Metallic	2423.2	0	4.5	83,428	18 A
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					3,759	1
2123.2				1,300	1,426	2 F
2212.1				(532,911)	1,841	3 A
2212.2				532,911	665,579	4 A
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					92,320	10
2232.2					0	11
2232.3					0	12
2421.1				(58,614)	0	13 A
2421.2	1,127			58,614	61,063	14 A
2422.1					0	15
2422.2					0	16
2423.1				(458,188)	0	17 A
2423.2	634			458,188	540,982	18 A
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(236,057)	5
Net Deferred Tax Liability Adjustments (4341)	0	6 A
Deferred Tax Regulatory Liability (4361)	0	7 A
Net Property Related Deferred Operating Income Taxes	(236,057)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(236,057)	
NONPROPERTY RELATED		
Other Current Assets (1350)	0	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	4,928	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	4,928	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250	(51,967)			(288,024)	5
	(1,683)		5,789	4,106	6 A
	1,762		(6,005)	(4,243)	7 A
	(51,888)	0	(216)	(288,161)	
				0	8
	(51,888)	0	(216)	(288,161)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250	4,277			9,205	13
				0	14
				0	15
	4,277	0	0	9,205	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
---------------------	-------------------------------	-------------------------	----------------------------------	--------------------------------

NONE

Total Notes Payable	<u><u>0</u></u>	1
----------------------------	-----------------	---

LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RUS Mortgage	07/29/1968	07/29/2003	2.0000	1
RUS Mortgage	06/02/1987	06/02/2015	5.0000	2
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
2.0000			98,638	25,000	123,638	1
5.0000			1,388,644	48,900	1,437,544	2
	0	0	1,487,282	73,900	1,561,182	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
Common Stock	60,000	40.00	1
TOTAL COMMON STOCK	60,000		
TOTAL	<u>60,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
COMMON STOCK:					
Common Stock	21,600	864,000			1
	21,600	864,000	0	0	
TOTAL	21,600	864,000	0	0	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	942,703	1,568,506	1
Changes:			
Balance Transferred from Income	180,397	172,317	2
Dividends Declared:			
Common	27,000	20,520	3
Preferred		0	4
Total Dividends Declared	27,000	20,520	
Miscellaneous Debits to Retained Earnings		777,600	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>1,096,100</u>	<u>942,703</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	63,003	24,314	88,043	1
Nonoperating Taxes (Accts. 7410 - 7450)		1,313	(669)	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		(1,735)	(5,787)	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
Investment Tax Credit			3,317	10
Nonregulated Deferred Taxes		292	915	11
Nonoperating Deferred Taxes		5,052	15,758	12
Operating Deferred Taxes		(7,802)	(39,808)	13
TOTAL	<u>63,003</u>	<u>21,434</u>	<u>61,769</u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
2,147					177,507	1
					644	2
					0	3
					(7,522)	4
					0	5
					0	6
				13,248	13,248	7
				145	145	8
				336	336	9
					3,317	10
					1,207	11
					20,810	12
					(47,610)	13
<u>2,147</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,729</u>	<u>162,082</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	259,998	244,605	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	259,998	244,605	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	94,822	91,335	11
Switched Access Revenue (5082)*	461,830	439,943	12
Special Access Revenue (5083)*	0	0	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	556,652	531,278	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	195,466	175,575	15
Special Access Revenue (5084.3)*	9,157	5,586	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	204,623	181,161	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	0		17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	35,924	32,176	30
Rent Revenue (5240)*	0	0	31
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	4,951	4,459	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	4,951	4,459	
Interstate Billing and Collection Revenue*	12,910	19,319	39 C
Intrastate Billing and Collection Revenue*	37,870	39,236	40
Total Carrier Billing and Collection Revenue (5270)*	50,780	58,555	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	91,655	95,190	
GROSS OPERATING REVENUES	1,112,928	1,052,234	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	(1,187)	355	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	(1,187)	355	
TOTAL OPERATING REVENUES	<u>1,114,115</u>	<u>1,051,879</u>	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	75	690		1
Less: Nonregulated		0		2
Net Regulated	75	690	0	3
Total General Support Expense (6120)	32,206	41,280	1,559	4
Less: Nonregulated		0		5 D
Net Regulated	32,206	41,280	1,559	6
Total Central Office Switching Expense (6210)	76,436	70,256	34,560	7
Less: Nonregulated		0		8
Net Regulated	76,436	70,256	34,560	9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	1,741	5,127	2,449	13
Less: Nonregulated		0		14
Net Regulated	1,741	5,127	2,449	15
Total Information Orig. / Term. Expense (6310)	696	188	135	16
Less: Nonregulated		0		17
Net Regulated	696	188	135	18
Total Cable and Wire Fac. Expense (6410)	62,776	62,719	36,582	19
Less: Nonregulated		0		20
Net Regulated	62,776	62,719	36,582	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	173,930	180,260	75,285	
Less: Nonregulated	0	0	0	
Net Regulated	173,930	180,260	75,285	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	1,157	0	22
Less: Nonregulated		0		23
Net Regulated	0	1,157	0	24
Total Network Operations Expense (6530)		9,971		25
Less: Nonregulated		0		26 H
Net Regulated	0	9,971	0	27
Access Expense (6540)		0	0	28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	200,366	249,194		31
Less: Nonregulated		0		32 E
Net Regulated	200,366	249,194		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	200,366	260,322	0	
Less: Nonregulated	0	0	0	
Net Regulated	200,366	260,322	0	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110			7,281	(6,591)	1
					2
	0	0	7,281	(6,591)	3
6120	401		39,203	117	4
					5 D
	401	0	39,203	117	6
6210	9,045		24,479	2,172	7
					8
	9,045	0	24,479	2,172	9
6220					10
					11
	0	0	0	0	12
6230	655		1,915	108	13
					14
	655	0	1,915	108	15
6310	35		11	7	16
					17
	35	0	11	7	18
6410	9,569		14,080	2,488	19
					20
	9,569	0	14,080	2,488	21
	19,705	0	86,969	(1,699)	
	0	0	0	0	
	19,705	0	86,969	(1,699)	
6510	0	0	1,157	0	22
					23
	0		1,157	0	24
6530			9,971		25
					26 H
	0	0	9,971	0	27
6540					28
					29
	0	0	0	0	30
6560			249,194		31
					32 E
			249,194		33
	0	0	260,322	0	
	0	0	0	0	
	0	0	260,322	0	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)		0	0	34
Less: Nonregulated		0		35
Net Regulated	0	0	0	36
Total Services (6620)	118,015	130,918	18,592	37
Less: Nonregulated		0		38
Net Regulated	118,015	130,918	18,592	39
TOTAL CUSTOMER OPERATIONS EXPENSE	118,015	130,918	18,592	
Less: Nonregulated	0	0	0	
Net Regulated	118,015	130,918	18,592	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	45,564	45,558	28,797	40
Less: Nonregulated		0		41
Net Regulated	45,564	45,558	28,797	42
Total General and Administrative (6720)	70,990	67,051	22,544	43
Less: Nonregulated		0		44
Net Regulated	70,990	67,051	22,544	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	116,554	112,609	51,341	
Less: Nonregulated	0	0	0	
Net Regulated	116,554	112,609	51,341	
TOTAL EXPENSES	608,865	684,109	145,218	
Less: Nonregulated	0	0	0	
Net Regulated	608,865	684,109	145,218	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610					34
					35
	0	0	0	0	36
6620	4,857		107,469		37
					38
	4,857		107,469	0	39
	4,857	0	107,469	0	
	0	0	0	0	
	4,857	0	107,469	0	
6710	7,527		9,234		40
					41
	7,527		9,234	0	42
6720	5,897		83,890	(45,280)	43
					44
	5,897		83,890	(45,280)	45
6790					46
					47
			0		48
	13,424	0	93,124	(45,280)	
	0	0	0	0	
	13,424	0	93,124	(45,280)	
	37,986	0	547,884	(46,979)	
	0	0	0	0	
	37,986	0	547,884	(46,979)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		1,157		1
Provisioning Expense (6512)		0		2
Total: Reported in Account 6510	0	1,157	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	199,355	249,194		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	199,355	249,194		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511			1,157		1
6512					2
	0		1,157	0	
6561			249,194		3
6562					4
6563					5
6564					6
6565					7
			249,194		

OUT-OF-STATE OPERATING REVENUES

1. This schedule is to be completed only by those companies having out-of-state revenues. For the purpose of completing this schedule, and for PSCW use in calculating Wisconsin remainder assessment revenues, out-of-state revenues are specifically defined in headnote 2.
2. Out-of-state revenues are those derived exclusively from communications physically originating outside of Wisconsin. Out-of-state revenues do not include a) access revenues from "inbound" communications originating outside the state, or b) revenues from communications originating in Wisconsin and terminating outside the state, or c) revenues allocable to Wisconsin-based facilities used for communications originating and terminating outside of the state.

Description (a)	This Year (b)	
Out-of-state operating revenues	0	1
Less: current year write-offs of uncollectible accounts - out-of-state utility customers only	0	2
Plus: current year collection of out-of-state utility customer accounts previously written off	0	3
Net out-of-state operating revenues	0	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*		0	1
Return from Nonregulated Use of Regulated Facilities (7130)*		0	2
Gains and (Losses) from Foreign Exchange (7140)		0	3
Gains or (Losses) from the Disposition of Land and Artworks (7150)		0	4
Other Operating Gains and (Losses) (7160)*		0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(3,317)	(3,317)	6
Operating Federal Income Taxes (7220)*	51,552	36,060	7
Operating State and Local Income Taxes (7230)*	16,512	13,215	8
Operating Other Taxes (7240)*	65,150	59,592	9
Provision for Deferred Operating Income Taxes--Net (7250)*	47,610	64,211	10
TOTAL OPERATING TAXES (7200)*	177,507	169,761	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	0	0	11
Interest Income (7320)*	18,161	11,255	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	0	0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	0	(17,984)	15
Other Nonoperating Income (7360)*	0	0	16
Special Charges (7370)*	0	12,509	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	18,161	(19,238)	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	15,089	1,127	19
Nonoperating State and Local Income Taxes (7430)*	6,365	251	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes--Net (7450)*	(20,810)	(3,822)	22
TOTAL NONOPERATING TAXES (7400)*	644	(2,444)	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	75,709	78,553	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	0	0	25
Other Interest Deductions (7540)*	0	0	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	75,709	78,553	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*	0	0	27
Extraordinary Income Credits (7610)		0	28
Extraordinary Income Charges (7620)		0	29
Current Income Tax Effect of Extraordinary Items--Net (7630)		0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)		0	31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	(13,910)	(5,589)	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	45,067	1
Less: Cost of Goods Sold		2
Net Sales	45,067	3
Expenses (Acct. 7990.2)	58,977	4
Nonregulated Net Income	<u>(13,910)</u>	5

List the type of nonregulated activities that company is involved in:

Lease of phones, caller ID boxes, systems pagers, and internet services.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	145,218	1
Nonregulated Expense	19,570	2
Plant Accounts	8,384	3
Accumulated Depreciation Accounts	0	4
All Other Accounts	0	5
Total Salaries and Wages	173,172	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	.00		0	1
Supervision and Other Management	1.00	1.00	40,753	2
Other Employees	5.00	5.00	132,419	3
Total	6.00	6.00	173,172	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	.00		0	1
Supervision and Other Management	1.00	1.00	40,753	2
Other Employees	5.00	5.00	132,419	3
Total	6.00	6.00	173,172	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	90	0	1
Extended Area Service	210	0	2
Extended Community Calling	14	67	3
Other Local-Undefined	0	0	4
Total Local	314	67	
TOLL			
Operator Handled: State--intraLATA	0	0	5
Operator Handled: State--interLATA	0	0	6
Operator Handled: Interstate	1	0	7
Customer Dialed: State--intraLATA	11	140	8
Customer Dialed: State--interLATA	8	116	9
Customer Dialed: Interstate	18	284	10
WATS	0	0	11
Other Toll-Undefined	0	0	12
Total Toll	38	540	
Total Local & Toll	352	607	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	46	1	0	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	2	0	0	0	4
Feature Group C -- Orig.	0	0	848	0	5
Feature Group C -- Term.	0	0	896	0	6
Feature Group D -- Orig.	1,318	622	0	0	7
Feature Group D -- Term.	2,133	792	0	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	3	1
Sheath miles of plant - buried	362	2
Sheath miles of plant - fiber optics	0	3
Strand miles of plant - fiber optics	18	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	6	1
56 kbps	0	4	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	0	0	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	3	1
Sheath miles of plant - buried	362	2
Sheath miles of plant - fiber optics	0	3
Strand miles of plant - fiber optics	18	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	6	1
56 kbps	0	4	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	0	0	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	239	260	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	0	0	6
Centrex Trunks	0	0	7
Centrex Lines	0	0	8
Key System Trunks	26	26	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	1	0	12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	3	4	16
- Semi-Public	11	11	17
- Cust. Owned	0	0	18
Other	0	0	19
Total Business Lines	280	301	20
Residential (Incl. Emp. Concess.)			
1 Party	1,818	1,856	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	0	0	25
Other	0	0	26
Total Residential Lines	1,818	1,856	27
Total Bus & Res Lines	2,098	2,157	28
Company Used Lines	18	19	29
Total Lines Used	2,116	2,176	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	1	1	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	0	0	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	5	10	7
Special Access-interLATA			8
(expressed in equiv. access lines)	0	0	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	0	47	11
Feature Group C Trunks	0	0	12
Feature Group D Trunks	115	118	13
TSPS - Trunks	26	26	14
EAS - Trunks	210	300	15
Cellular Trunks (Pub. Sw. Net.)	0	0	16
Video Distance Learning			17
- discounted (special tariff)	0	0	18
Customers			
Business - 2 Party Customers	0	0	20
Business - 4 Party Customers	0	0	21
Residential - 2 Party Customers	0	0	22
Residential - 4 Party Customers	0	0	23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)	3,587,372	3,747,751	27
Total Company Square Miles	137	137	28
Total Company Route Miles	369	375	29
Footnotes			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1040	1250	5170		1
Business					2
1 Party	51	137	72		3
2 Party	0	0	0		4
4 Party	0	0	0		5
PBX Trunks/System Trunks	0	0	0		6
Centrex Trunks	0	0	0		7
Centrex Lines	0	0	0		8
Key System Trunks	5	10	11		9
Mobile (utility provided service)	0	0	0		10
Paging (utility provided service)	0	0	0		11
FX-Out (Switched)	0	0	0		12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	1	2	1		16
- Semi-Public	1	4	6		17
- Cust. Owned	0	0	0		18
Other	0	0	0		19
Total Business Lines	58	153	90	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	495	755	606		22
2 Party	0	0	0		23
4 Party	0	0	0		24
FX-Out (Switched)	0	0	0		25
Other	0	0	0		26
Total Residential Lines	495	755	606	0	27
Total Bus & Res Lines	553	908	696	0	28
Company Used Lines	4	11	4		29
Total Lines Used	557	919	700	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1040	1250	5170		1
Miscellaneous					2
WATS Lines - OutWATS	0	1	0		3
WATS Lines - 800 Service	0	0	0		4
FX-In-intraLATA	0	0	0		5
Special Access-intraLATA					6
(equiv. access lines)	1	3	6		7
Special Access-interLATA					8
(equiv. access lines)	0	0	0		9
Feature Group A Lines	0	0	0		10
Feature Group B Trunks	15	17	15		11
Feature Group C Trunks	0	0	0		12
Feature Group D Trunks	33	47	38		13
TSPS - Trunks	8	9	9		14
EAS - Trunks	94	102	104		15
Cellular Trunks (Pub. Sw. Net.)	0	0	0		16
Video Distance Learning					17
- discounted (special tariff)	0	0	0		18
Customers					19
Business - 2 Party Customers	0	0	0		20
Business - 4 Party Customers	0	0	0		21
Residential - 2 Party Customers	0	0	0		22
Residential - 4 Party Customers	0	0	0		23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	973,908	1,781,846	991,997		27
Exchange Square Miles	56	57	24		28
Exchange Route Miles	124	176	75		29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Nippon Electric	NEC	5
Northern Telecom	NTI	6
Siemens	SI	7
Stromberg-Carlson	SC	8
VIDAR	VI	9

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Nippon Electric	NEC	5
Northern Telecom	NTI	6
Siemens	SI	7
Stromberg-Carlson	SC	8
VIDAR	VI	9

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	CHASEBURG	COON VALLEY	STODDARD		1
PSCW Exchange ID	1040	1250	5170		2
Central Office Name	CHASEBURG	COON VALLEY	STODDARD		3
PSCW Central Office ID	1	1	1		4
Manufacturer of COE (Page 54)	SC	SC	SC		5
Year COE Installed	1989	1989	1989		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote	S	H	S		8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0	0	0		10
COE Generic Software Release No.	19	19	19		11
SS7?	Yes	Yes	Yes		12
9-1-1?	No	No	No		13
Access Lines - In Use	557	919	700		14
- Equipped	630	1,080	828		15
- Wired	630	1,080	900		16
Trunks - In Use	127	260	142		17
- Equipped	168	260	216		18
- Wired	192	284	284		19
ISDN Available?	No	No	No		20
ISDN Lines - In Use (BRI)	0	0	0		21
- In Use (PRI)	0	0	0		22
Switched 56 Service?	No	No	No		23
Switched 56 lines in use	0	0	0		24
Digital Transmission Facilities: DS-1 - In Use	0	0	0		25
DS-3 - In Use	0	0	0		26
Advanced Data Service Available:					
Packet Switching?	No	No	No		27
SMDS?	No	No	No		28
Frame Relay?	No	No	No		29
ATM (Asynchronous Trans. Mode)?	No	No	No		30
Video Information - Service Available?	No	No	No		31
- In Use (# lines) ¹	0	0	0		32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	0	6	0		33
No. of fiber strands working (LIT) in C.O.	0	4	0		34
No. of fiber strands for interoffice use	0	0	0		35
Miles of fiber sheath in wire center	0	0	0		36
Access Tandem Serving this C.O.:					
- C.O. Name	LACROSSE	LACROSSE	LACROSSE		37
- PSCW C.O. ID	2770-03	2770-03	2770-03		38
Does this C.O. do access tandem switching?	No	No	No		39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes		40
Equal Access: IntraLATA (1+)?	No	No	No		41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Accountants Compilation Report

To the Board of Directors
Coon Valley Farmers Telephone Company
Coon Valley, Wisconsin 54623

We have compiled the balance sheets of Coon Valley Telephone Company as of December 31, 1996 and 1995, and the related statements of income and retained earnings for the years then ended, and the statement of cash flows for the year ended December 31, 1996, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 46 through 55.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages 46 through 55 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Kiesling Associates LLP
Madison, Wisconsin
April 28, 1997

Schedule Footnotes

Central Office Lookup Table Footnote. Page 0

Identification and Ownership Footnote. Page 7

Data missing from load, entered by Cliff, corrected by RL July 24, 1997

Telecommunications Plant in Service Class A & B Footnote. Page 22

Revenues - Class A & B (Class B Use Accounts Designated By *) Footnote. Page 40

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

Access Usage Footnote. Page 48

Changed numbers not reported in 000s on 8/24/99.

PJL

Central Office Data - End of Year Footnote. Page 55

Schedule Line Footnotes

- A) To properly reflect first of year balances.
- B) Depreciation on this account is done on a per unit basis (specific identification) the rate given is an estimate based on the average life of assets within this account.
- C) Decrease in billing and collection rates during 1996.
- D) Company repaired office roof for \$12,000 in 1996.
- E) There was a change in depreciation rates in 1996.
- F) Transfer of company communications equipment from nonregulated.
- H) Company incurred some outside engineering costs in 1996.